

**REMARKS**

Claims 1, 2, 4, 5, 8-24 and 27-54 are pending in which claims 3, 6, 7, 25, 26 and 55-62 were previously canceled without prejudice. In the prior Office Action, which rejections were sustained in the instant Final Office Action, claims 1, 2, 4 and 5 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and McDonald (2003/0080186A1), claims 8-13 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves in view of Teicher, claim 14 was rejected under 35 U.S.C. §103(a) as being unpatentable over Graves in view of Teicher and further in view of O'Leary, claims 15 and 16 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and Teicher and further in view of Kinker, claims 17-19 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves, Teicher and Kinker and further in view of O'Leary, claims 20-22 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves, Teicher, Kramer and Flitcroft (2003/0028481A1), claims 23 was rejected under 35 U.S.C. §103(a) as being unpatentable over Graves, Teicher and Kramer and further in view of Kinker, claims 24 and 27-36 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves, Teicher and Kramer and further in view of O'Leary, claims 37-39 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and Teicher, claims 40-47, 49 and 50 were rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and Teicher and further in view of Kramer, claim 48 was rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and Teicher and further in view of Kinker, claim 51 was rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and Teicher and further in view of O'Leary, claim 52 was rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and

Teicher and further in view of O'Leary, claim 53 was rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and Teicher and further in view of Kinker, and claim 54 was rejected under 35 U.S.C. §103(a) as being unpatentable over Graves and Teicher and further in view of O'Leary.

In the "Response to Arguments" section of the instant Final Office Action, it was stated that Applicant's arguments were not persuasive on that basis that the "Attorney claims the Graves and McDonald et al. references do not apply to purchase transactions." And then col. 1, lines 15-35 of Graves were cited as supporting Examiner's position that the Graves reference "does refer to purchase transactions."

Applicant respectfully submits that the Examiner's summation of Applicant's argument is a gross oversimplification of Applicant's position and is inaccurate. The "Background" section of Graves is cited as supporting the Examiner's position. The background section specifically states that Graves' invention is related to "remote data management" and a "method for managing stored-value card data between a plurality of users and a central processor over a communications network." Yet such management does not mean that Graves system operates as processor for the card numbers for purchase transactions or that the charge settlement network routes the card numbers to the Graves system as certified processor for purchase transactions as recited in claim 1. Graves states that the "stored-value card data *is indicative of* services and/or products prepaid by the owner or end user of the card" (emphasis added), but this does not mean that a system according to Graves is directly involved in the actual purchase transactions conducted by the user.

Graves' disclosure describes management of the card data for management purposes other than processing purchase transactions, and does not address the actual purchase transactions when the prepaid cards are being used. As described further below, the stored-value card data management system 14 or other management system or central processor of Graves is not configured to conduct purchase transactions. This is clearly illustrated by FIG. 6 of Graves and corresponding discussion, which shows and describes an exemplary modular architecture of the stored-value card data management system 14. As shown, the processing modules 60, 62 and 64 are for processing *activation* requests, *incrementing* requests, and *deactivation* requests, respectively. There are no processing modules associated with purchase transactions. The type of prepaid cards described in Graves are the same as or substantially similar to the prior-art cards described in Graves background section, particularly concerning usage of the cards for purchase transactions. This is because Graves does not attempt to change or handle usage or purchase transactions of such cards, but instead Graves is directed towards modifying prepaid card systems for purposes of management to control activation, deactivation and recharge of such cards, as in Graves col. 1, line 63 – col. 2, line 32.

And as further described below, McDonald does not overcome the deficiencies of Graves. The Examiner reiterated the same rejections as in the last Office Action, so that substantially the same arguments in Applicant's response thereto are repeated herein.

Applicant respectfully traverses the §103(a) rejection of claims 1, 2, 4 and 5 as being unpatentable over Graves and McDonald.

Graves does not show a “method of enabling transactions with cash cards via a charge settlement network” including “configuring an issuing system to interface an

electronic communications network and the charge settlement network and to operate as processor of the plurality of valid charge numbers for purchase transactions, the plurality of valid charge numbers including a plurality of card numbers” and “configuring the charge settlement network to route any of the plurality of card numbers to the issuing system as certified processor for purchase transactions” as recited in claim 1. Claim 1 was previously amended to add the underlined portions.

Graves is specifically limited to managing stored-value cards but is not configured for handling use or purchase transactions. In Graves, it is the stored-value card data management system 14 (including central processor 16 and database 18) that “processes” the stored-value card data (see Graves, FIGs 1-3, Abstract, col. 6, lines 25-48). As clearly described in Graves, transactions are sent through the host bank 20 to the card data management system 14 (see, e.g., col. 6, lines 56-58). Graves discusses alternative communications networks, yet ultimately the card data is routed to and processed by a “host” system, which includes the central processor 16 (Graves, col. 6, line 58 to col. 7, line 8). Thus, it is Graves’ stored-value card data management system 14 or other “host” system which includes the “central processor” that corresponds to Applicant’s issuing system. Yet the processing is not for purposes of conducting purchase transactions; instead, Graves system is limited to card management.

The stored-value card data management system 14 or other management system or central processor of Graves is not configured to conduct purchase transactions. This is clearly illustrated by FIG. 6 of Graves and corresponding discussion, which shows and describes an exemplary modular architecture of the stored-value card data management system 14. As shown, the processing modules 60, 62 and 64 are for processing *activation*

requests, *incrementing* requests, and *deactivation* requests, respectively. There are no processing modules associated with purchase transactions. The type of prepaid cards described in Graves are the same as or substantially similar to the prior-art cards described in Graves, particularly concerning usage of the cards for purchase transactions. This is because Graves does not attempt to change or handle usage or purchase transactions of such cards, but instead Graves is directed towards modifying prepaid card systems for purposes of management to control activation, deactivation and recharge of such cards, as in Graves col. 1, line 63 – col. 2, line 32.

Graves central processor or host system, which performs the processing functions, is limited to activation, deactivation, and incrementing (see, e.g., Graves, col. 7, lines 34 – 37). Graves' abstract and summary both state that "[t]he stored-value card data is configured to securely process in real time stored-value cards transacted by respective users to enable charging prepaid stored-value services to a recipient of the transacted stored-value card", but this does not mean that Graves' management system is configured to actually conduct the purchase transactions themselves. Instead, the purchase transaction processing is up to the 3<sup>rd</sup> party card issuer. Graves col. 1, lines 52-62 describes an exemplary use of a prepaid long distance card. As described therein, the customer dials a phone number to access "the card issuer's system", enters an identification number, and makes the long distance call. In this illustration, Graves' management system is not involved in the actual use of the card for purchasing telephone services, but instead it is the card issuer's system that processes this purchase transaction, such as a phone company.

The same is true for the other types of cards listed in col. 5 of Graves. When the customer uses the prepaid telecommunications card, the transaction is conducted with the telecommunications service provider; when the customer uses the prepaid wireless card, the transaction is conducted with the wireless service provider; when the customer uses the prepaid paging card, the transaction is conducted with the paging service provider; when the customer uses the prepaid Internet access card, the transaction is conducted with the Internet service provider; when the customer uses the gift stored-value card, the transaction is conducted with the particular merchant issuing the card, which is usually branded on the face of the card; and so on.

By contrast in claim 1, the charge settlement network is configured to route any of the plurality of card numbers to the issuing system as certified processor for purchase transactions and the issuing system is configured to interface an electronic communications network and the charge settlement network and to operate as processor of the plurality of valid charge numbers for purchase transactions.

McDonald fails to overcome the deficiencies of Graves with respect to claim 1. McDonald does not show “configuring an issuing system to interface an electronic communications network and the charge settlement network and to operate as processor of the plurality of valid charge numbers for purchase transactions” as recited in claim 1. McDonald does not show “configuring the charge settlement network to route any of the plurality of card numbers to the issuing system as certified processor for purchase transactions” as recited in claim 1. As shown in FIG. 9 and as described in paragraph [0094] of McDonald, when a credit type card is used (e.g., non-proprietary commercial credit card), McDonald’s system is “required to access a remote credit card customer

database.” The remote credit card customer database is thus the certified processor for purchase transactions, which is not part of McDonald’s system but instead is according to standard credit card based transactions.

Applicant respectfully submits, therefore, that claim 1 is allowable over Graves and McDonald. Claims 2, 4 and 5 are also allowable as depending upon allowable claim 1. Applicant requests withdrawal of this rejection.

Applicant respectfully traverses the §103(a) rejection of claims 8-13 as being unpatentable over Graves in view of Teicher.

As stated by the Examiner in the present Office Action, Graves does not show associating an activated card number with a corresponding one of a plurality of prepaid accounts. And it is stated that Teicher discloses associating various cards with an existing bank account and the opening a new account is known in the financial services industry. Applicant respectfully traverses the assertion that it would be obvious to modify the invention of Graves based on the teachings of Teicher. Although both references employ the term “stored-value”, this term means two different things in these two references. Teicher defined “stored-value devices” on col. 3, lines 21-42 as “any device or apparatus which is able to receive, store, and transfer electronic cash.” And Teicher further states that in a system according to his invention, “a payment card contains at least one electronic purse, which serves as a stored-value device.” (Teicher col. 3, lines 29-32). Such electronic purses are illustrated in FIGs 1A, 4A, 11 and 12 of Teicher, and this requires a storage element or memory device on the card, such as provided on smart cards and the like. And Teicher relies on the financial institution since directed towards a heterogeneous stored-value system in which each payment card

further incorporates a charge function (see FIGs 1A and 4A, item 8-6, FIG. 11, item 200-5, FIG. 12, item 300-4, etc.).

In Graves, there is no such stored-value device but instead Graves' disclosure is directed towards stored-value services. And the "motivation" behind Graves system is improvement of the type of prepaid cards that may be used without the user/customer having to have a bank account, to be linked to a financial institution, or to have any type of credit account. Thus, it would not be obvious to combine Teicher and Graves in the manner suggested by the Examiner to add prepaid accounts to Graves.

Graves and Teicher does not show Applicant's invention as recited in claim 8. The issuing system is not a bank or a financial institution. In the present application, an issuing bank 101 is described as having an account database including an issuing system (IS) account DDA 102 that is associated with the issuing system 107 (see page 28, lines 1-20 of Application as filed). The issuing system establishes the prepaid account for the user without the user having to establish a bank account with a bank or any other financial institution.

Applicant respectfully submits that it is not known in the financial services industry to have an issuing system which operates as processor for the charge numbers, which is certified processor for the charge numbers, which is configured to interface an electronic communications network to conduct purchase transactions, and which associates activated card numbers with prepaid accounts as recited in amended claim 8, so that claim 8 is allowable over Graves and Teicher. Further, claims 9-13 are allowable as depending upon an allowable base claim. Applicant requests withdrawal of these rejections of claims 8-13.



Further with respect to claims 9-13, Graves does not show “authorizing the transaction if a corresponding cash balance of a corresponding prepaid account is sufficient for the transaction amount” as recited in claim 9 since Graves is limited to management of stored-value cards rather than determining whether a prepaid account is sufficient for a transaction amount. And, as noted above, it would not obvious to combine Teicher with Graves in the manner suggested by the Examiner since Graves describes stored-value cards that may be used without the user/customer having to have a bank account, to be linked to a financial institution, or to have any type of credit account.

Applicant respectfully traverses the §103(a) rejection of claim 14 as being unpatentable over Graves and Teicher as applied to claim 9 and further in view of O’Leary. O’Leary does not overcome the deficiency of Graves described above regarding claim 1, or Graves and Teicher as described above with respect to claim 9, so that claim 14 is allowable over Graves, Teicher and O’Leary as depending upon allowable claims 1 and 9. Applicant requests withdrawal of this rejection.

Applicant respectfully traverses the §103(a) rejection of claims 15 and 16 based on Graves, Teicher and Kinker. Kinker concerns automatic banking equipment for enabling a customer to carry out banking services associated with bank accounts. As such, there is no suggestion for combining Kinker with Graves (or Teicher) especially since the “motivation” behind Graves system is improvement of the type of prepaid cards that may be used without the user/customer having to have a bank account. Kinker also does not overcome the deficiencies of Graves described above regarding claims 1 or the deficiencies of Graves and Teicher described above regarding claim 8, so that claims 15

and 16 are allowable over Graves, Teicher and Kinker. Applicant requests withdrawal of this rejection.

Applicant respectfully traverses the §103(a) rejection of claims 17-19 based on Graves, Teicher, Kinker and O'Leary. Claims 17-19 are allowable over Graves, Teicher, Kinker and O'Leary as depending upon allowable claims 1 and 8 and Applicant requests withdrawal of this rejection.

Applicant respectfully traverses the §103(a) rejection of claims 20-22 as being unpatentable over Graves, Teicher, Kramer and Flitcroft.

Contrary to that stated in the Office Action and similar to that described above with respect to claim 1, Graves does not show “configuring an issuing system to interface the charge settlement network and to operate as processor of the plurality of valid charge numbers”, “configuring the charge settlement network to route any of the plurality of valid charge numbers to the issuing system as certified processor” and “configuring the issuing system to interface the electronic communications network to conduct *purchase* transactions” (emphasis added) as recited in claim 20. Teicher, Kramer and Flitcroft are cited for limited purposes but none of these references overcome the deficiencies of Graves with respect to claim 20.

As argued above, Graves is limited to card management and does not concern enabling purchase transactions. Kramer concerns an electronic graphical representation of a monetary system for implementing electronic money payments *as an alternative medium of economic exchange to cash, checks, credit and debit cards, and electronic funds transfer* (col. 1, lines 15-20), so that there is no suggestion whatsoever for combining the alternative medium of Kramer with Graves, and instead it appears that

Kramer teaches against the system of Graves. And Flitcroft is a credit card system and method directed towards limiting fraud in credit-based transactions so that there is no suggestion whatsoever for combining Flitcroft in the manner suggested by the Examiner. The only suggestion for combining these references with Graves is Applicant's claims, which is improper hindsight.

Applicant respectfully submits that it is not known in the financial services industry to have an issuing system which operates as processor for the charge numbers, which is certified processor for the charge numbers, and which is configured to interface an electronic communications network to conduct purchase transactions as recited in amended claim 20, so that claim 20 is allowable over Graves, Teicher, Kramer and Flitcroft. Claims 21 and 22 are allowable as depending upon allowable claim 20. Applicant requests withdrawal of this rejection.

Applicant respectfully traverses the §103(a) rejection of claim 23 as being unpatentable over Graves, Teicher, Kramer and Kinker. Claim 21 is allowable over Graves, Teicher, and Kramer, and Kinker does not overcome the deficiencies of these references and there is no suggestion for the combination of references in the first place. Claim 23 is allowable as depending upon an allowable base claim.

Applicant respectfully traverses the §103(a) rejection of claims 24 and 27-36 as being unpatentable over Graves, Teicher, Kramer and O'Leary. O'Leary does not overcome the deficiencies of Graves, Teicher and Kramer with respect to claim 20, so that claims 24 and 27-36 are allowable as depending upon an allowable base claim.

Further with respect to claim 27 and claims 28-32, none of the references Graves, Teicher or Kramer, alone or in combination, show or suggest receiving a request from the

user for a valid charge number and providing a selected purchase number via the electronic communications network in response to the request. Furthermore, O'Leary does not show expiring a selected purchase number after authorizing the purchase transaction, where the selected purchase number is selected from the plurality of valid charge numbers provided by a sponsoring bank to the issuing system. O'Leary only references a "unique" transaction number which is included in payment communications, which is not described as a valid charge number at all but simply an incidental number used to identify the transaction rather than enable it.

Further with respect to claim 24, none of the references Graves, Teicher, Kramer, or O'Leary, alone or in combination, show or suggest an issuing system detecting an online purchase transaction between the user and an online merchant and providing a selected purchase number via the electronic communications network to consummate the purchase transaction, where the selected purchase number is selected from the plurality of valid charge numbers provided by a sponsoring bank to the issuing system. O'Leary describes the conventional "pull" technology (O'Leary, col. 8, lines 41-58) where the seller pulls the payment from the buyer's account using a debit instruction. But in any such debit transaction as known to those skilled in the art, the buyer must provide the charge number in the first place in order for the seller to access the account of the buyer. And O'Leary's "push" technology is entirely different in which the user pushes "an EFT credit from the IPA or DDA accounts to a merchant's account" (O'Leary, col. 7, lines 8-12).

Applicant respectfully traverses the §103(a) rejection of claims 37-39 as being unpatentable over Graves and Teicher.

Claim 37 is allowable for similar reasons as recited above for claim 20 in that Graves and Teicher do not show an issuing system comprising a storage device that stores an account database of a plurality of prepaid accounts and a plurality of valid charge numbers including a plurality of card numbers and received from an issuing bank, each being associated with a corresponding one of the plurality of valid charge numbers, and a processor program, for interfacing the charge settlement network, that enables the issuing system to operate as certified processor for transactions including purchase transactions using any of the plurality of valid charge numbers.

Applicant again traverses the combination of Graves and Teicher with respect to claim 37 in that there is no suggestion for such combination and the resulting combination does not achieve the invention of claim 37 as previously described. Claims 38 and 39 are also allowable as depending upon an allowable base claim. Applicant requests withdrawal of these rejections.

Applicant respectfully traverses the §103(a) rejection of claims 40-47 and 49-50 as being unpatentable over Graves, Teicher and Kramer.

Kramer does not overcome the deficiencies of Graves and Teicher with respect to claim 37 and there is no suggestion for combining Kramer in the first place as previously described. Therefore, claims 40-47 and 49-50 are allowable as depending upon an allowable base claim. Applicant requests withdrawal of these rejections.

Applicant respectfully traverses the §103(a) rejections of claim 48, 51, 52, 53 and 54 as being unpatentable over Graves and Teicher and further in view of Kinker or O'Leary. As argued above, Graves and Teicher do not obviate Applicant's invention and there is no suggestion for combining Teicher or Kinker with Graves. And neither Kinker

nor O'Leary overcome the deficiencies of Graves and Teicher, so that claims 48 and 51-54 are allowable as depending upon an allowable base claim. Applicant requests withdrawal of these rejections.

Furthermore with respect to claims 53 and 54, none of the references Graves, Teicher, Kinker or O'Leary, alone or in combination, show or suggest detecting a request from the user via an electronic communications network for a valid charge number and providing a selected purchase number via the electronic communications network in response to the request. There is no suggestion in any of these references for combining them in this manner in the first place.


**CONCLUSION**

Applicant respectfully submits that for the reasons recited above and for various other reasons, the rejections and objections have been overcome and should be withdrawn. Applicant respectfully submits therefore that the present application is in a condition for allowance and reconsideration is respectfully requested. Should this response be considered inadequate or non-responsive for any reason, or should the Examiner have any questions, comments or suggestions that would expedite the prosecution of the present case to allowance, Applicants' undersigned representative earnestly requests a telephone conference.

Respectfully submitted,

Date: March 28, 2006

By: \_\_\_\_\_



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